Customs Trade Partnership Against Terrorism An Introduction

Unified Global Security: The Challenge Ahead
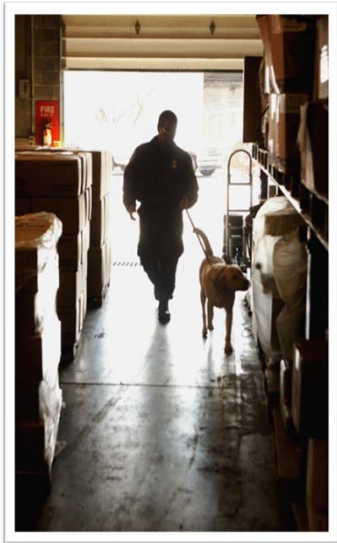
WHO WE ARE

Securing the Borders of the United States while simultaneously facilitating the flow of legitimate trade & travel

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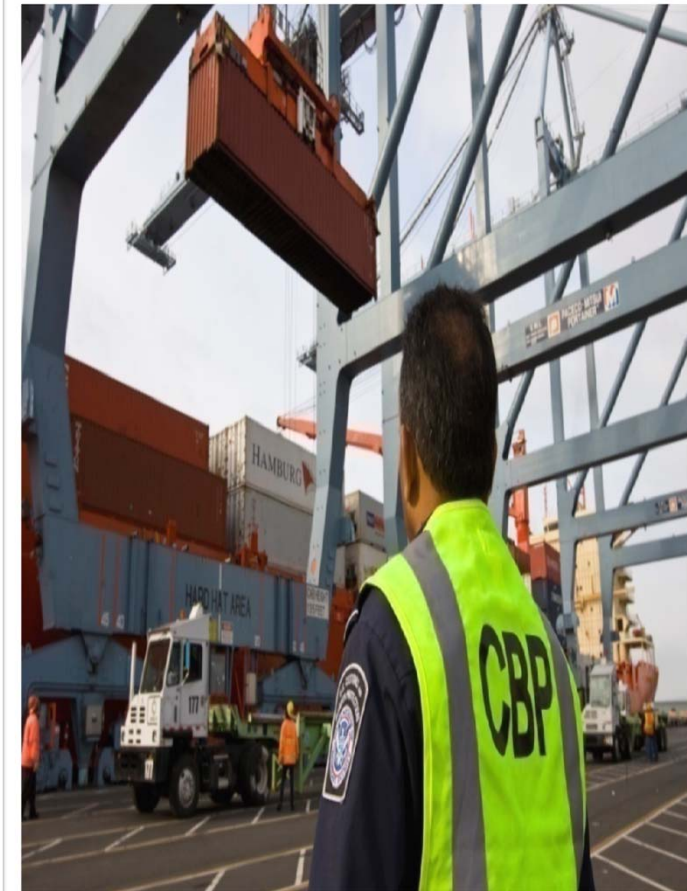
It's a challenging task

- 1,900 miles of border with Mexico.

- 5,000 miles of border with Canada.

- 327 "ports of entry"—official entry or crossing points.

- 139 Border Patrol stations with 37 interior checkpoints.

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On a typical day…….

- **900K+** passengers and pedestrians

- **64,000** truck, rail and/or sea containers

- **61** criminal arrests

- **1400** inadmissible visitors

- **13,000lbs** of narcotics

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CBP Layered Enforcement Strategy

- Advance electronic information analysis and targeting

- Using advanced inspection technologies

- Pre-screening high-risk shipments prior to arrival in the U.S.

- Partnering with the trade community

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What is C-TPAT

CBP and Industry working together to enhance international supply chain security and facilitate legitimate compliant trade

Strengthening of the Supply Chain
- Exchange of Ideas, Knowledge and "Best Practices"

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C-TPAT Background

- Launched in November 2001

- Started with seven companies

- Designed so all businesses, regardless of size, can participate in global supply chain security

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C-TPAT Today

- Over 10,000 members

- Represents approximately 50% of the total value of merchandise imported into the United States

- Strives to set the Global standard for supply chain security

C-TPAT Membership - as of December 3, 2012

Importers	4340
Brokers and Consolidators	1739
Carriers (Air, Sea, Rail, Truck)	3013
Marine Port Authorities / Terminal Operators	60
Foreign Manufacturers	1273
Totals	**10,425**

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C-TPAT Minimum Security Criteria

The starting point for partners to develop and employ effective security practices.

It is the responsibility of the member to study their supply chain(s), assess the risk, and develop security controls to deal with those risks.

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Who can apply?

- Importers

- Carriers (truck, sea, air, rail)

- Foreign manufacturers (CA and MX)

- U.S. Customhouse Brokers

- Consolidators

- Port/terminal operators

- Third Party Logistics

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Benefits for CBP and Partner

Partner

- Reduced threat assessment score

- Access to the FAST lane

- Front-of-line inspections

- Access to SVI

- Seminars and training

- Assigned SCSS

CBP

- Increased supply chain visibility

- Redirection of people and resources

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Definitions

Minimum Security Criteria

- What procedures the C-TPAT member is required to have in place

Validation

- Where CBP visits the company and verifies the security policies and practices in place in relation to what has been represented in the security profile

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Definitions

Must vs. Should

- Must is a mandatory component. Although C-TPAT itself is voluntary, these points ***must*** be successfully addressed to obtain and maintain membership

- Should indicates recommended security practices

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C-TPAT Minimum Security Criteria

Nine Core Criteria Elements:

- Risk Assessment

- Business Partner

- Container Security

- Physical Access Controls

- Personnel Security

- Procedural Security

- Physical Security

- Information Technology

- Security Training & Threat Awareness

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C-TPAT Minimum Security Criteria

Fundamentally designed to be the building blocks for C-TPAT members to institute effective security practices

The criteria is designed to optimize supply chain performance to reduce the possibility of a security breach

Strong supply chain security measures reduce theft, loss, and smuggling

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C-TPAT Validations

- Trust but verify

- SCSS serve as the principal advisors to companies

- SCSS perform validations to verify security profiles are reliable, accurate, and effective

- Identify deficiencies and best practices

- Suspend or Remove members not honoring their security commitment

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Suspensions and Removals

Voluntary program

As such, CBP may suspend or remove members when deficiencies are discovered

Can be for negative vetting, validation findings, or security incident(s)

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Mapping Cargo Flow and Identifying Business Partners

Key Business Partner Roles

- Procurement
- Production
- Packing
- Staging/Storing
- Loading/Unloading
- Transportation
- Document Preparation

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Threats to the international supply chain

- Terrorism

- Narcotics

- Human smuggling

- Illegal weapons

- Economic conditions

- Natural disasters

- Political unrest

- Labor problems

- Industrial espionage

- Organized crime

- Theft

….Threats are constantly evolving and changing

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Mapping Cargo Flow and Identifying Business Partners

- Identify all parties involved from origin to destination

- Examine your business partner's <u>key</u> roles/processes

- Think about:

  - What do you know about who is moving your cargo?
  - Who is responsible for selecting the intermediaries?
  - Who physically moves the cargo?
  - Any transfers along the way?
  - Is the cargo ever at rest?

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Who is moving the cargo?

…..Should I conduct a site visit?

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What are the cargo handling procedures?

Can you identify any security concerns?

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How Secure is the Supply Chain…

A new feeder service…

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Patterns of risk :

- Management doesn't ensure that employees are following their own security procedures.

- The company and employees are not aware of the risks they encourage by having poor security practices.

- Pattern of pushing responsibility for security to 'others'.

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Disruptions to the supply chain

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Big Picture

Commitment to partnership to enhance supply chain security

Benefits for Trade - Improved security, fewer inspections, expedited cargo processing

Benefits for CBP - Tactical support for focus on high risk shipments, better allocation of resources

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